



# Changes are ahead for the Savings Program!

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Effective June 23, 2003, the investment options within the Savings Program for Employees of Certain Employers at the US Department of Energy Facilities at Oak Ridge (BWXT-Y12 and UT-Battelle) will be enhanced. This newsletter outlines the enhancements, recaps all funds available, and provides a timeline for when and how the changes will take place. Please take a few minutes to read this important information.

## CHANGES AT-A-GLANCE

Everyone has different and changing needs when it comes to planning for retirement. So, to help you better prepare for your retirement goals, we're making some changes to the investment options offered through the Savings Program.

### What's changing?

You'll have a new investment option – a Small Cap Value Fund.

The Intermediate Bond Fund will be changing. The current fund, Standish Investment Grade Bond Fund, will be replaced with Wells Fargo Montgomery Total Return Bond Fund. As part of its ongoing monitoring activities, the Joint Retirement and Savings Plan Committee determined that changes in management of the current fund did not meet the Committee's guidelines for risk and performance.

### When will the changes take effect?

Changes will be in effect on June 23, 2003.

### How will the changes be implemented?

There will be a brief period over the weekend of June 21 and June 22, 2003, when you will not have access to your account so that the investment changes can be implemented. This brief period will not impact your ability to trade as the market is closed on Saturdays and Sundays.

When the investment changes are complete, you will have full access to your account and all the investment options by logging onto the Program Web site at <http://oakridge.csplans.com> or by calling the Information Line at 1-888-I-SAVEIT. Customer Service Representatives are available for questions Monday through Friday from 9:00 a.m. to 5:00 p.m. Eastern time, excluding New York Stock Exchange holidays.

## IMPORTANT DATES

Please note the following activities and dates relative to the investment changes.

Activity	Date
Brief weekend period when you will not have access to your account through the Information Line or Web site	12:00 a.m. Saturday, June 21 through 6:00 a.m. Monday, June 23, 2003
Mutual fund in the Intermediate Bond Fund is replaced	Saturday, June 21 through Sunday, June 22, 2003
Small Cap Value Fund is added to the investment options	Saturday, June 21 through Sunday, June 22, 2003
You have full access to your account to perform transactions and obtain information	6:00 a.m. Monday, June 23, 2003

## ENHANCED INVESTMENT OPTIONS

Beginning June 23, 2003, through the Savings Program, you'll have access to 12 investment options.

### New Small Cap Value Fund

To allow for further diversity among the investment options, the Goldman Sachs Small Cap Value Fund is being added to the Savings Program. A value fund seeks to provide long-term growth through investment in what the fund manager believes are undervalued companies that have a favorable outlook. This differs from a growth fund, which typically invests in companies that are just starting to show or are already showing accelerated earnings with the potential for future growth.

The enclosed fund fact sheet details the Fund's objective, management, historic performance and top holdings. You will have the opportunity to begin investing in this fund on June 23, 2003.

**The Savings Program is a valuable tool in helping you plan for a secure financial future. If you are not enrolled and want to find out more, please call the Information Line at 1-888-I-SAVEIT and speak with a Customer Service Representative.**

## Change to the Intermediate Bond Fund

The Intermediate Bond Fund will remain as an investment option within the Savings Program. However, the mutual fund will be changing to the Wells Fargo Montgomery Total Return Bond-Select Fund\*. A fund fact sheet detailing the structure of this fund is also enclosed with this newsletter.

To accommodate this change, balances in the Intermediate Bond Fund will be automatically transferred (often referred to as mapping) from the current mutual fund to the Wells Fargo Montgomery Total Return Bond-Select Fund. If you have a balance in the Intermediate Bond Fund, your balance will remain fully invested during the transfer, and you will retain the dollar value of that balance including any earnings. Please note that the transfer will be reflected as a "sell" and "buy" under this investment option on your second quarter statement. This change will not count as one of your allowable transactions for the year.

## Reminder – Lockheed Martin Company Stock Fund is no longer an option

If you were a participant with a balance in the Lockheed Martin Company Stock Fund on April 30, 2003, that balance was transferred to the Stable Value Fund.

## A summary of the investment options

With these changes, your investment options by asset class are listed below. If the option is a mutual fund, its ticker symbol is publicly traded and noted. A few funds are commingled funds, which means they are privately managed and no ticker is available. To find out more about each of the investment options, go to Fund Information on the Program Web Site.

Short Term Investment Funds	Fund Ticker Symbol
Stable Value Fund	Commingled Fund
Bond Funds	
Intermediate Bond Fund (change in mutual fund)	MBFIX
Long Term Bond Fund	PGOVX
Balanced/Asset Allocation Funds	
Long Term Bond Fund	ABALX
Stock Funds	
Equity Index Fund	Commingled Fund
Investment Company of America Fund	AIVSX
Vanguard Windsor Fund	VWNEX
Growth Fund of America	AGTHX
New Perspective Fund	ANWPX
Small Cap Value Fund (NEW)	GSSIX
Small Cap Growth Fund	MGSEX
International Growth Fund	AEPGX

\* Note that in June 2003, Wells Fargo will acquire the Montgomery Total Return Bond-Select Fund. This newsletter was printed prior to the acquisition and the name change is not reflected on the enclosed fact sheet.

## THE VALUE OF DIVERSIFICATION

Choosing the right mix of investments – often referred to as diversification – is important in helping you meet your long-term savings goal. Diversification helps to reduce your exposure to risk and increases your chances for positive returns because you are spreading your investments across several asset classes – stocks, bonds, stable value. Keep in mind the following:

- Historically, there have been fluctuations across each asset class at different points in time. When stocks are producing high returns, bonds are often producing lower returns and vice versa.
- Different investments within each asset class may respond differently to changes in the economy.
- Globally, markets in different countries tend to perform differently from one another over time due to economic, political, currency valuation or other considerations.
- By having a combination of investments, diversifying, there is a greater chance that some high-returning investments can offset the potential of low-returning investments.

To learn more about diversification or establishing an investment strategy, check out the articles, e-seminars and interactive calculators within the Financial Resources Center on the Program Web site. You can access the Financial Resources Center from your account page by selecting the link or through the drop down menu (upper left section of banner).

## MAKING CHANGES TO YOUR INVESTMENT ELECTIONS

To make changes to your investment elections or transfer existing balances, simply access the Program Web site or Information Line.

Call the Information Line at **1-888-I-SAVEIT**. Follow the prompts in the voice response system or speak with a Customer Service Representative. Or, log on to the Program Web site at <http://oakridge.csplans.com>.

## NEED YOUR PERSONAL IDENTIFICATION NUMBER?

If you've lost or forgotten your Personal Identification Number (PIN), which along with your Social Security number gives you access to your account, simply request a PIN reminder through the **Information Line** or **Program Web site**.